

**CHAPTER 3. LIFE, ACCIDENT, AND HEALTH INSURANCE AND ANNUITIES**

**Subchapter QQ, Provider Network Contract Registration**

**INFORMAL DRAFT**

**9. TEXT (All text is new text and would be underlined in a formal proposal)**

**Subchapter QQ. Provider Network Contract Registration**

**§3.9801. Definitions.** Terms in this subchapter have the same meaning as defined and used in Insurance Code Chapter 1458.

**§3.9802. Registration.**

(a) The department adopts the Provider Network Contract Registration Form by reference.

(b) Each person required to register under Insurance Code §1458.051, including health maintenance organizations described in subsection (c) of this section, must submit a fully completed Provider Network Contract Registration Form with the required fee established under §3.9804 of this title (relating to Required Fees) to the department before the later of:

(1) the 30th day after the date on which the person begins acting as a contracting entity in this state; or

(2) March 1, 2014.

(c) A health maintenance organization or other entity holding a certificate of authority issued by the department that allows its provider network to be accessed by nonaffiliates must register as a contracting entity under §3.9802 of this chapter (relating to Registration).

(d) A person begins acting as a contract entity in this state when the person establishes a provider network or networks for access by another party by entering into direct contracts with one or more providers for the delivery of health care services to covered individuals with the intent of creating a network or networks to be accessed by another party.

(e) A contracting entity must report any changes to the information submitted in the Provider Network Contract Registration Form submitted under subsection (a) no later than the 30th day after the date on which the change takes effect.

(f) A Provider Network Contract Registration Form may be submitted in paper format or electronically.

**§3.9803. Exemption from Registration Requirement for Affiliates.**

(a) The department adopts the Provider Network Contract Registration Exemption Form by reference.

(b) To request a registration exemption for affiliates, a contracting entity that holds a certificate of authority must submit a fully completed Provider Network Contract Registration Exemption Form and the required fee established under §3.9804 of this title (relating to Required Fees) to the department before the later of:

(1) the 30th day after the date on which the affiliate begins to use the contracting entity's network in this state; or

(2) March 1, 2014.

(c) An affiliate of a contracting entity holding a certificate of authority is not eligible for the registration exemption under §3.9803 of this title (relating to Exemption from Registration Requirement) if the affiliate:

(1) enters into a direct contract with a provider for the delivery of health care services to covered individuals; and

(2) in the ordinary course of business establishes a provider network or networks for access by another party, including access of the affiliate's network by the contracting entity holding a certificate of authority or access by third party payors to the network of an affiliated contracting entity holding a certificate of authority.

(d) The exemption is not effective until the commissioner grants the exemption in writing. The commissioner may grant the requested exemption to all listed affiliates, grant the exemption to some listed affiliates; or deny the requested exemption.

(e) A contracting entity holding a certificate of authority must report any material changes in the information in the exemption registration required by this subchapter no later than January 31 of each year after the year in which the exemption was granted.

(f) A Provider Network Contract Registration Exemption Form may be submitted in paper format or electronically.

**§3.9804. Required Fees.**

(a) A Provider Network Contract Registration Form under §3.9802 of this title (relating to Registration) or a Provider Network Contract Registration Exemption Form under §3.9803 of this title (relating to Exemption from Registration Requirement) must be accompanied by the required fee of \$1,000.

(b) No fee is required for submitting a change in information under §3.9802 of this title or the annual registration exemption update under §3.9803 of this title.

**§3.9805. Express Authority.**

(a) Except as provided in subsection (c) of this section, a provider's express authority cannot be presumed for any line of business for the purposes of compliance with §1458.101.

(b) The contracting entity must notify the provider about all applicable fee schedules; but such notification is not to be, and must not be, construed as:

(1) prohibiting a provider network contracting entity from only contracting with providers who agree to all fee schedules; or

(2) requiring providers to agree to all fee schedules.

(c) For the purposes of compliance with Insurance Code §1458.101, a provider's express authority is presumed if:

(1) the provider network contract is in existence before September 1, 2013;

(2) on the first renewal after September 1, 2013, the contracting entity sends a written renewal notice by United States mail to the provider;

(3) the notice described by paragraph (2) of this subsection:

90                               (A) contains a statement that failure to timely respond serves as  
91 assent to the renewal;

92                               (B) contains separate signature lines for each line of business  
93 applicable to the contract; and

94                               (C) specifies the separate fee schedule for each line of business  
95 applicable to the contract, described in any reasonable manner and which may be  
96 provided electronically; and

97                               (4) The provider fails to respond within 60 days of receipt of the notice  
98 and has not objected to the renewal.